Protection of investor interest

1017. SHRI SATISH PRADHAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that existing law is totally inadequate to provide protection to small depositors and investors; and

(b) if so, what remedial measures are proposed to be taken by government to protect the small depositors' money and also the companies to increase the flow of deposits in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) and (b) The required information is being collected and will be laid on the Table of the House.

Growth rate of economy vis-a-vis industrial growth rate

1018. SHRI RAMDAS AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the Government while presenting budget, had put the rate of growth at 6.1 per cent but the latest estimates by the Centre for Statistical Organisation has shown it is not better than 5.2 per cent;

(b) if so, what are the main reasons for slowing down of our economy;

(c) whether it is also a fact that the industrial growth rate for the current year, as the figures for the April-May show, is barely 2.1 per cent which is the lowest in the last 3 years; and

(d) if so, what corrective measures Government propose to take to boost our economy?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINEE N. RAMACHANDRAN): (a) to (d) As per the revised estimates released by the Central Statistical Organisation (CSO) the growth rate in gross domestic product (GDP) at factor cost at constant (1993-94) price is estimated at 5.2 per cent for 2000-01 as against a growth rate of 6 per cent estimated in the Advance Estimates of National Income, 2000-01 released by the CSO on February 5, 2001. The lower growth in overall GDP in the

Revised Estimates for 2000-01 compared with Advance Estimates for GDP for 2000-01 is attributed to a lower growth in the GDP originating in the agriculture and allied, industry and services sectors in the Revised Estimates compared with advance Estimates for the GDP for 2000-01. Table below gives overall and sector growth rates in Gross Domestic Product (GDP) for the year 2000-2001 Advance Estimates and Revised Estimates respectively.

Estimates of GDP at factor cost by Economic Activity (at 1993-94 prices)

		2000-01(A)	2000-01(R)
I.	**Agriculture and allied sectors**	0.9	0.2
II.	**Industry**	6.6	5.3
	1. Mining & quarrying	4.5	3.7
	2. Manufacturing	6.4	5.6
	3. Electricity, gas & water supply	5.6	4.7
	4. Construction	8.7	5.5
III.	**Services**	8.3	7.7
	5. Trade, hotels, transport and communication	8.0	6.9
	6. Financial services*	9.6	9.1
	7. Community, social & personal services	7.6	7.8
IV.	**Total GDP at factor cost**	**6.0**	**5.2**

*includes financing, insurance, real estate & business services;
A: Advance Estimate; R: Revised Estimated

The growth rate in industrial production as reflected in the Index of Industrial Production was 2.6 per cent in April-May, 2001-02, 6.2 per cent in April-May, 2000-01 and 6 per cent in April-May, 1999-2000. The trends in the economy are closely monitored and under constant

review and appropirate decisions taken in the light of the emerging trends. The measures to promote and achieve higher growth *inter alia* include speeding up of agricultural reforms; intensification of infrastructure investment, continued reform in the financial sector and capital markets, and deepening of structural reforms; human development through better educational opportunities and programmes of social security, improvement in the quality of government expenditure; acceleration of privatisation process and restructuring of public enterprises etc. Policy initiatives announced in the Budget are expected to have a favourable impact on growth during the current year.

Assessment of unutilised funds

1019. SHRI SURESH PACHOURI: Will the Minister of FINANCE be pleased to state:

(a) whether Government have made any assessment of funds lying unutilised with various Ministries;

(b) if so, the Ministry-wise magnitude of such unutilised funds;

(c) whether Government have issued instructions to speed up implementation of projects in the wake of slow down in the economy; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) and (b) As per provisional accounts for 2000-01, 97 per cent of the allocated plan funds were spent by the administrative Ministries and Departments. The unutilised allocations lapsed at the end of the financial year. In the current year upto 31st May, 2001, 11 per cent of plan allocations had been spent.

(c) and (d) Monitoring flow of expenditure *vis-a-vis* approved appropriations is the responsibility of the spending Ministries/ Departments.